

For Immediate Release
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**MISSOURI SENATE GIVES FIRST-ROUND APPROVAL TO
LEGISLATION SPONSORED BY SEN. CHUCK GROSS WHICH WOULD
CREATE THE HOMESTEAD PRESERVATION ACT**

JEFFERSON CITY -- The Missouri Senate has given first-round approval to a measure that would provide senior citizens with relief from rapidly rising property taxes. Sponsored by Sen. Chuck Gross, R-St. Charles, the Homestead Preservation Act would cap property tax increases at 5 percent annually for senior citizens or disabled persons on fixed incomes.

“In considering this legislation I sat down with groups representing senior citizens, educators, school boards, county collectors, assessors and other parties affected by this bill,” said Gross. “After years of work we have developed a piece of common sense, bipartisan legislation that everyone can agree on.”

Currently under statewide reassessment, a home’s value is supposed to be recalculated every two years. Under current state law, because reassessment is not intended to create an overall increase in taxes, levies are supposed to be rolled back. At the same time, the taxes on individual property can increase – sometimes dramatically – if the reassessed value of the property is greater than the average increase of all properties in the political subdivision.

Senate Bill 730 would allow senior citizens and those who are disabled to obtain a credit against their property taxes that exceed a certain amount – estimated at around 5 percent. The credit for an excessive increase would then be applied against the taxes paid in the following year.

Assessors would be required to forward all information on applicants for the homestead credit to the Department of Revenue (DOR) by Oct. 31. Then DOR would

certify to the collectors and clerks a list of those applicants in their area who meet the requirements of the homestead preservation credit.

Each January, the Missouri General Assembly would then file an appropriation bill to fund the homestead exemption.

In October or November when county collectors send a current year tax bill, for all those eligible there would be a homestead credit from the prior year listed on the bill and applied against the current bill.

Since his election to the Missouri House of Representatives in 1992, Gross has worked to craft a bill that would provide property tax relief for senior citizens living on a fixed income.

“No one should have to sell their home because they can no longer afford to pay the property taxes, and yet that’s exactly what happens to many senior citizens in Missouri,” Gross said. “No one should have to make that kind of choice.”

According to Gross, legislative researchers estimate that 25 percent of the residential property in Missouri is owned by senior citizens, three-quarters of who would fall with the income guidelines set up under the Homestead Preservation Act.

“Part of the American Dream is owning a home, and Missouri’s seniors have spent their lives working toward that dream,” Gross said. “This bill will protect the average senior citizen from rapid and extreme increases in their tax bills.”

After a final Senate vote, this bill will be sent to the House of Representatives for consideration.